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Decision

Matter of: Government Contract Solutions, LLC

File: B-414000

Date: January 18, 2017

J. Patrick McMahon, Esq., McMahon, Welch and Learned, PLLC, for the protester. LtC Gregory J. Fike, Esq., Jessica Gill, Esq., Max D. Houtz, Esq., Defense Intelligence Agency, for the agency. Frank Maguire, Esq., and Jennifer D. Westfall-McGrail, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging two evaluator findings of significant weakness is denied where record demonstrates reasonable basis for the findings.

DECISION

Government Contract Solutions, Inc. (GCS), of McLean, Virginia, a small business, protests the issuance of a task order by the Defense Intelligence Agency (DIA) to Potomac Wave Consulting, Inc., of Alexandria, Virginia, pursuant to an unnumbered task order proposal request (TOPR) for comptroller support. The protester challenges DIA's evaluation of its technical proposal.

We deny the protest.

BACKGROUND

The TOPR, which was issued on June 2, 2016, sought support for accounting operations, reconciling Fund Balance with Treasury, financial reporting, internal controls, and financial statement audit liaison functions. Contracting Officer's Statement (COS) at 1; TOPR Statement of Work (SOW) at 1. The solicitation was issued pursuant to Federal Acquisition Regulation (FAR) § 16.505 to each of the seven awardees under the Solutions for Intelligence Financial Management II (SIFM II) indefinite-delivery/indefinite-quantity contract.

The TOPR contemplated issuance of the task order to the contractor whose proposal represented the best value to the government, considering technical approach and price, with technical approach of lesser importance than price. The technical approach factor was comprised of four subfactors: (1) FACTS [Financial Accounting Corporate Tracking System] System Accountant/Data Validation; (2) Financial Reporting and Property Accounting; (3) Audit Support/Management Control Program; and (4) Accounting Operations, Fund Balance with Treasury Support. TOPR at 4-5. Subfactor 1 was more important than subfactors 2 and 3, which were of equal importance and of greater importance than subfactor 4. Id. at 4. Proposals were to be rated under the technical approach factor and subfactors as outstanding, good, acceptable, marginal, or unacceptable. Id. at 5.

The agency received six proposals in response to the TOPR, including proposals from GCS and Potomac Wave. A technical evaluation team (TET) evaluated the proposals and rated the proposals of GCS and Potomac Wave as follows:

Offeror	Price	Overall Technical	Technical Subfactor 1	Technical Subfactor 2	Technical Subfactor 3	Technical Subfactor 4
Potomac Wave	\$38,396,830	Outstanding	Outstanding	Acceptable	Acceptable	Acceptable
GCS	\$34,365,214	Marginal	Marginal	Acceptable	Acceptable	Acceptable

Protest at 3; see also COS at 4. Under subfactor 1 (FACTS System Accountant/Data Validation), the evaluators identified two significant weaknesses in the protester’s proposal (which are the subject of this protest and are discussed in detail below).¹

After considering the findings of the TET and offerors’ proposed prices, the source selection authority determined that Potomac Wave’s proposal represented the best value to the government. The agency issued a task order to Potomac Wave on September 20. After receiving notification of the award and a debriefing, GCS protested to our Office on October 12.²

¹ The evaluators found no other weaknesses, strengths, or deficiencies in the protester’s proposal under the first subfactor, and no strengths, weaknesses, significant weaknesses, or deficiencies under any of the other subfactors.

² The estimated value of the task order at issue is greater than \$10 million. Accordingly, this procurement is within our jurisdiction to hear protests related to the issuance of task orders under multiple-award indefinite-delivery, indefinite-quantity contracts. 10 U.S.C. § 2304c(e)(1)(B).

DISCUSSION

The protester challenges the agency's evaluation of its proposal under subfactor 1, arguing that the two findings of significant weakness were without basis and that the resulting rating of marginal (for both the subfactor and the overall factor) was unreasonable.

The evaluation of proposals in a task order competition, including the determination of the relative merits of proposals, is primarily a matter within the contracting agency's discretion, since the agency is responsible for defining its needs and the best method of accommodating them. Readiness Mgmt. Support, L.C., B-413207, B-413207.2, Sept. 7, 2016, 2016 CPD ¶ 271 at 6. In reviewing protests challenging an agency's evaluation of proposals, GAO does not reevaluate proposals, but rather examines the record to determine whether the agency's judgment was reasonable and in accord with the stated evaluation criteria and applicable procurement laws and regulations. Pioneering Evolution, LLC, B-412016, B-412016.2, Dec. 8, 2015, 2015 CPD ¶ 385 at 7. A protester's disagreement with an agency's judgment, by itself, is insufficient to establish that the agency acted unreasonably. STG, Inc., B-405101.3 et al., Jan. 12, 2012, 2012 CPD ¶ 48 at 7.

Both of the evaluators' findings of significant weakness pertained to SOW ¶ 3.3.2.6, which set forth the following requirements regarding System Accountant Support:

Provide system accountant resources fluent with the DIA implementation and customization of NSA [National Security Agency] Oracle PeopleSoft financial software system (Federal OMB Financial System Integration Office (FSIO) certified version) and additional PeopleSoft modules to include Supply Chain Management, Asset Management, Time and Attendance and Project Costing to assist in the development of queries and reports, both routine and ad hoc, required to analyze, validate and interpret financial information for program planning and budget execution and preparation of accurate financial reports. Provide a system accountant FACTS expert, as demonstrated by minimum of five years experience with FACTS (PeopleSoft) Federal programs, to conduct review and analysis for DIA staff working with NSA on FACTS system configuration issues.

In their first finding of significant weakness, the evaluators noted that the protester's proposal stated that GCS would provide "an experienced Systems Accountant with at least 5 years' experience with FACTS (PeopleSoft) Federal Programs, familiarity and experience with DIA and local implementation and customization of Oracle and PeopleSoft modules, including Supply Chain Management, Asset Management, Time and Attendance, and Project Costing modules." Consensus Rating at 2. The evaluators further noted that the proposal "annotate[d] that this experience was with the USCG [US Coast Guard]." Id. The evaluators also noted that GCS had

proposed a technical project lead who “has previously been the technical lead on the Procure to Pay (P2P) workstream on SIFM, and is currently providing audit readiness oversight services at another IC [Intelligence Community] Agency,” as well as “four other system accountants with experience tracking obligations and developing Spend Plans using FACTS, preparing for a financial audit of FACTS, providing FIAR [Financial Improvement Audit Readiness], financial statement audit, SSAE [Statements on Standards for Attestation Engagements] 16 Review, FISMA [Federal Information Security Management Act] Review, and audit assessment and remediation support to the IC and DoD [Department of Defense], and customized Federal cost accounting systems.” Id.

The evaluators found that although GCS had provided system accountants, it had not provided “system accountant resources fluent with the DIA implementation and customization of NSA Oracle PeopleSoft financial software system and additional PeopleSoft modules to include Supply Chain Management, Asset Management, Time and Attendance and Project Costing.” Id. at 3. According to the evaluators, not providing these resources appreciably increased the risk of unsuccessful contract performance. Id. The evaluators further explained that while the protester’s proposal identified two system accountants in Focus Area 3 (Financial Reporting and Data Validation), “none of the background qualifications indicate[d] expertise, ‘fluent with the DIA implementation and customization of NSA Oracle PeopleSoft financial software system.’” Id. The evaluators noted in this regard that experience tracking obligations and developing spend plans in FACTS were basic user skills, and not system accountant skills. Id.

In their second finding of significant weakness, the evaluators noted that SOW ¶ 3.3.2.6 required offerors to provide a system accountant FACTS expert to conduct review and analysis for DIA staff working with NSA on FACTS system configuration issues, and that while the protester would provide an experienced system accountant, it had not proposed to provide a FACTS expert, nor had it stated that it would conduct review and analysis of FACTS system configuration issues. Id. As above, the evaluators found that not providing this expertise appreciably increased the risk of unsuccessful contract performance.

In its initial protest, GCS argued that the evaluators’ first finding of significant weakness was unreasonable because its proposal provided examples of experience providing FACTS support to other federal government agencies, including the Coast Guard, as required by the terms of the solicitation. In this connection, the protester noted that the TOPR provided that in evaluating proposals under subfactor 1, the agency would consider whether they provided examples of experience providing FACTS support to other federal government agencies.

In response, the agency pointed out that the solicitation instructed offerors that their proposals should “be compliant with the requirements as stated in the task order/delivery order (TO/DO) statement of work,” and that proposals “should not

simply rephrase or restate the Government's requirement, but rather provide convincing rationale to address how the offeror intends to meet the requirements." TOPR at 1. The agency further noted that one of the SOW requirements was the above-referenced requirement to provide system accountant resources fluent with the DIA implementation and customization of the NSA Oracle PeopleSoft financial software system. The chair of the TET explained that the protester's reference to its experience at the Coast Guard did not address the requirement for fluency with the DIA implementation and customization of FACTS because:

1) the [Coast Guard] does not use FACTS as its financial accounting software and 2) since the [Coast Guard] is not the DIA, any experience gained while supporting the [Coast Guard] would not be experience related to fluency with the DIA implementation and customization of FACTS.

Declaration of TET Chair at 3. The TET chair further explained that the TET "was confused as to why GCS would indicate" that it had supported the Coast Guard with System Accountant Support with at least 5 years of experience with FACTS and fluency with DIA implementation and customization "since the [Coast Guard] does not use FACTS." Id. at 4-5. According to the TET chair,

. . . this called into question in the minds of the TET other references in the GCS proposal to System Accountant FACTS experience and its approach to providing system account resources fluent with the DIA implementation and customization of FACTS, and whether that experience was really with the actual FACTS financial software that is used at DIA and is the subject of the SOW requirements.

Id. The TET chair also noted that none of the other proposal sections cited by the protester addressed how GCS would provide system accountant resources fluent with the DIA implementation and customization of FACTS.

In responding to the agency report, the protester did not provide any persuasive rebuttal to the agency explanation above. As a result, we find no merit in its argument that it met the requirements of the TOPR by demonstrating experience providing FACTS support to other federal agencies.

In its comments on the agency report, the protester did, however, seek to rebut the agency's position that its proposal had not indicated experience with the DIA implementation and customization of FACTS. In this connection, GCS pointed to language in its proposal indicating that the individual whom it was proposing for the position of senior accountant program manager had "over 11 years of experience leading financial management and accounting support programs at DoD/IC Agencies, including providing support as a [DIA] SIFM I incumbent," and that he was "fluent in the FACTS application." Protester's Comments at 5.

We think that the record provides a reasonable basis for the evaluators' conclusion that the protester's proposal did not adequately establish experience with the DIA implementation and customization of FACTS. None of the qualifications cited above demonstrates that this individual is fluent in the DIA implementation and customization of the FACTS application. Moreover, given the protester's misleading representations regarding its experience with FACTS at the Coast Guard discussed above, the evaluators had a reasonable basis to question whether its reference to FACTS experience here was to the actual FACTS financial software.

With regard to the second finding of significant weakness, the protester argues that its description of its proposed senior accountant program manager's experience as including 11 years leading financial management and accounting support programs at DoD/IC agencies, including providing support as a SIFM I incumbent, should have led the evaluators to conclude that he has the required FACTS experience. We fail to see how the above qualifications establish that the proposed individual had the five years of FACTS PeopleSoft Federal Programs experience required by the solicitation. We also note that the protester does not seek to rebut the second element of the finding, which was that it had not stated in its proposal that it would conduct review and analysis of FACTS system configuration issues.

The protest is denied.

Susan A. Poling
General Counsel